

Generals Terms of Business

For members of The Danish Shipbrokers' Association

§ 1

Unless otherwise explicitly agreed, these Terms apply to all commercial assignments carries out by the members of the Danish Shipbroker's Association. In these Terms "the member" means all members of the Association.

§ 2

Unless otherwise indicated in writing, the member shall perform the duties assigned to him as agent for the principal or as intermediary. The member shall not be liable for any breach of the contract provided by the member. All offers obtained by the member shall be subject to confirmation in the absence of any other express agreement.

§ 3

The member shall carry out his duties with due care and all possible dispatch and shall promote the best interests of the principal, devoting the whole of his and his employees' professional skills.

§ 4

The principal shall give to the member all instructions and directions necessary for the performance of the assignment and shall accept that the member transacts at the expense and risk of the principal all business that the member deems necessary for the performance of the assignment in cases where he has not been given adequate instructions and where, to the best judgement of the member, there is no time to obtain further instructions.

§ 5

To the principal and other legitimate parties, the member is liable only for losses caused by errors and omissions on the part of the member in connection with the performance of the assignment as agent for the principal or as intermediary in accordance with Clause 2 hereof.

§ 6

In no event shall the liability of the member exceed SDR 25,000 for any one loss.

§ 7

Any claim for damages against the member becomes statute-barred eleven months from the due date of the claim, and any legal action shall be taken in accordance with Clause 11 within the time stipulated as otherwise the claim will be forfeited. If the claim for damages relates to the carriage of goods, the limitation period begins to run from the arrival of the vessel at the port of discharge.

§ 8

Any outstanding account of the member shall fall due for payment on presentation of the invoice or statement and shall be subject to interest as specified in the invoice or statement. The member shall be entitled to set off his claim against freight and any other amounts owed to him by the principal.

The member shall also have a charge or lien on goods and/or machinery and equipment, including bills of lading, storage receipts and other documents representing goods which have been or will be placed in his custody partly for all costs relates to the goods, including fees and storage, and partly for all other claims that the member may have against the principal. The member shall have a similar right to compensation from insurers, carriers or others in case of the total loss of or damage to the goods.

In case of the non-payment of his due claim, the member shall be entitled to sell in a satisfactory manner any such part of the goods in his custody as may be required to cover his entire claim, including costs and interest. As early as possible the member shall notify the principal of the measures that he intends to take to sell the goods.

Should the member hold any amount on behalf of the principal, the member shall be entitled first to set off his own claims against the principal against any such amount and thereafter claims which are not secured by maritime lien. Any claim secured by maritime lien shall not be paid until satisfaction of the member's own claims.

§ 9

In the event that the member does not take steps to collect freight or if the freight is not sufficient to pay outlays and other costs incurred by the member in the performance of the assignment, he shall be entitled to claim payment from the principal of such outlays and costs prior to the departure of the vessel. The member shall have the right to refuse outward clearing unless adequate security is provided for outlays and other costs or payment for such outlays and costs has been made.

Should the member grant an extension for payment of outlays, he shall be entitled to charge a fee of 1,5 % for each period of 30 days or part thereof as from the date of departure of the vessel.

§ 10

Notwithstanding the above provisions, any liability incurred by the member as carrier for loss of or damage to the goods shall in any event and irrespective of the mode(s) of transport used be limited to SDR 2 for each kilo of gross weight of the goods lost or damaged in accordance with the provisions of the Danish Merchant Shipping Act unless otherwise prescribed by mandatory rules of law. In all other respects, the above provisions shall be applicable, including the limitation of liability set out in Claus 6.

§ 11

Any dispute between the principal and the member shall be decided by the Maritime and Commercial Court of Copenhagen in accordance with Danish law.

Adopted at the general meeting of the Danish Shipbrokers' Association held on 1 September 2001.